

University of Rochester

TUITION BENEFIT PLANS

***TUITION BENEFITS FOR EMPLOYEES
(UNDERGRADUATE & GRADUATE)***

***TUITION BENEFITS FOR SPOUSES
(UNDERGRADUATE & GRADUATE)***

***TUITION BENEFITS FOR DEPENDENT CHILDREN
(UNDERGRADUATE)***

The University reserves the right to modify, amend or terminate the plans at any time, including actions that may affect coverage, cost-sharing, or covered benefits, as well as benefits that are provided to current and future retirees. For example, there may be such changes as reducing the coverage of a plan, requiring employee contributions, or increasing or decreasing benefit levels. If one or more plans are terminated, the termination will not affect those benefits that are being paid to employees prior to the termination but there will be no benefits paid to those who would have become entitled to payment after the date of termination. Payment of benefits, if any, is made from the University's general assets.

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Tuition Benefits for Employees **(Undergraduate and Graduate)**

Eligibility

- ◆ Regular Full-time Faculty/Staff: Upon completion of 1 year of service*
- ◆ Regular Part-time Staff: Upon completion of 2 years of service*

Regular Part-Time Faculty and Senior Administrative Staff in Salary Grades 58 and above are not eligible for tuition benefits.

Full-time Strong Memorial Hospital Residents and Fellows and full-time Departmental Fellows are eligible upon appointment for tuition waiver of two credit-bearing courses per semester or quarter only at the University of Rochester.

See separate policy #305 if you are interested in University sponsorship of **full-time** employees for the Simon School Executive Development Program.

*Please refer to Service Requirement section under Important Information to Know on page 9.

Active employment in an eligible status must be maintained through the completion of the course and the faculty or staff member must successfully complete the course. If these criteria are not met, the faculty or staff member will be responsible for the payment of the course and any related late fees.

Tuition Waivers are approved only for the courses listed on the waiver form. Any change in course(s) listed on the form (add/drop/withdrawal), will result in the employee being responsible for payment of the course(s) as stated in the University Bursar's Office Refund Schedule.

Individuals represented by collective bargaining agreements receive benefits in accordance with those agreements.

Tuition Waiver for Credit-Bearing Courses at the University of Rochester

- ◆ Tuition waiver for two credit-bearing courses in each relevant period (e.g., semester or quarter), if such course is deemed by the employee's immediate supervisor either to be related to the employee's job at the University or to be part of a degree plan that would prepare an employee for a future job within the University.
- ◆ For other courses, 80% tuition waiver for two credit-bearing courses per semester or quarter.

Tuition Reimbursement at Other Colleges or Universities

(and Approved Non-Credit Courses (Certification/Recertification exams) Taken at the University of Rochester or at Other Colleges or Universities)

- ♦ For Full-time faculty and staff, 80% tuition reimbursement for up to **two** courses (certification/recertification exams)** in each relevant period (e.g., semester or quarter), if such course is directly related to the employee's job at the University.
- ♦ For Part-time staff, 80% tuition reimbursement for **one** course (certification/recertification exam)** in each relevant period (e.g., semester or quarter), if such course is directly related to the employee's job at the University.

**** Requirements for Tuition Reimbursement for Non-Credit Courses**

All Non-credit courses must meet established criteria and be approved by the Benefits Office prior to the start of the course. Non-credit courses must be taken at a college or university and meet the criteria of being directly job-related, having at least 15 contact hours with a professor/teacher, having outside readings and assignments, and having a formal evaluation based on a final exam.

**** Requirements for Reimbursement of Certification/Recertification Exams**

A certification/recertification exam must be directly job-related, and certified by the supervisor that the employee will either be eligible for a pay increment upon successful completion of the certification exam(s), the employee will lose a pay increment if not recertified or successful completion of the certification/recertification exam(s) is a requirement of the employee's job at the University. Reimbursement for a certification/recertification exam is **taxable wages** unless the exam satisfies the requirements for a tax deductible job-related exam under IRS rules. Generally, a job-related exam will satisfy these IRS requirements if it *maintains or improves skills for the individual's present job, or if the exam meets the employer's express requirements for retaining the job, and the exam is not part of a program that will qualify the individual for a new trade or business.*

NOTE: Courses taken at other colleges and universities, **non-credit bearing courses** taken at the University of Rochester or at other colleges or universities and **certification/recertification exams** will be reimbursed 80% upon receipt of proof of payment, proof of course/exam cost, and evidence of successful completion of the course/exam. In no instance is an employee eligible for more than a total of 2 courses/certification/recertification exams per semester or quarter.

Grandparenting of Tuition Benefits for Degree Programs Prior to 9/1/96

Faculty and staff members matriculated into a degree program prior to 9/1/96 and receiving tuition benefits from the University prior to 9/1/96, may elect to maintain benefits under the previous tuition benefit level (i.e., at the U of R, tuition waiver for two credit-bearing courses upon appointment or at other schools, tuition reimbursement for two credit-bearing courses after one year full-time or two-years part-time service). To be grandparented, the individual will need to provide written proof of matriculation in a degree program from the educational institution they are attending. Grandparenting under the previous tuition benefit plan applies only to the degree for which a faculty or staff member was matriculated as of 9/1/96.

Eastman Community Music School

Upon completion of one year of full-time service or two years of part-time service, regular full-time faculty and regular full-time and part-time staff are eligible for a 25% reduction in charges for musical instruction through the Eastman Community Music School.

Strong Memorial Hospital Residents and Fellows and **Departmental Fellows** are not eligible for the reduction in charges for musical instruction through the Eastman Community Music School.

Tuition Benefits for Spouses **(Undergraduate and Graduate)**

Eligibility

- ♦ Regular Full-time Faculty/Staff*: Upon completion of 2 years of service**
- ♦ Regular Part-time Staff*: Upon completion of 3 years of service**

Regular Part-Time Faculty and Senior Administrative Staff in Salary Grades 58 and above are not eligible for tuition benefits.

Spouses of full-time Strong Memorial Hospital Residents and Fellows and spouses of full-time Departmental Fellows are eligible immediately for a 50% tuition waiver of only one U of R credit-bearing course per semester or quarter.

*Regular full-time and regular part-time (appointed to work at least 17.5 hours or more per week) staff who are members of SEIU 1199 Upstate-SMH and SEIU Local 200 United-River Campus are eligible for tuition benefits for spouses, subject to the above service requirements.

**Please refer to Service Requirement section under Important Information to Know on page 9.

This dependent tuition benefit is available only while the employee is actively employed in an eligible status. Should employment cease (or eligibility otherwise cease) during a semester/quarter, the benefit will be pro-rated for that semester/quarter.

Tuition Waiver at the University of Rochester

Upon the faculty or staff member's completion of **two years of full-time service, spouses of regular full-time faculty and staff** are eligible for:

- ♦ 50% of the stated full tuition cost at the applicable University of Rochester school or college for a spouse enrolled at the University, foregoing any other institutional scholarship or grant aid, whether need-based or other such scholarship/grant programs (with the exception of merit awards).

- or -

- ♦ 25% of the difference between (i) the stated full tuition cost at the applicable University of Rochester school or college for a spouse enrolled at the University and (ii) the total need-based scholarship and need-based grant aid provided from all sources to that spouse, again foregoing any other institutional scholarship or grant aid or other such scholarship/grant programs (with the exception of merit awards), with the 25% difference "blinded" from University need-based aid decisions.

Upon the staff member's completion of **three years of part-time service, spouse of regular part-time staff** are eligible for:

- ♦ 25% of the difference between (i) the stated full tuition cost at the applicable University of Rochester school or college for a spouse enrolled at the University and (ii) the total need-based scholarship and need-based grant aid provided from all sources to that spouse, again foregoing any other institutional scholarship or grant aid or other such scholarship/grant programs (with the exception of merit awards), with the 25% difference "blinded" from University need-based aid decisions.

Grandparenting of Tuition Benefits

Spouses of full-time faculty and staff employed prior to 1/1/96, who were adversely affected either by the eligibility change or by the change in aggregate benefit, will be allowed to elect to participate under the previous tuition benefit plan for spouses. Under the previous tuition benefit, after one year of full-time service, spouses of full-time faculty and staff received 50% waiver of tuition for unlimited credit courses at the University of Rochester.

Spouses of part-time staff employed prior to 1/1/96, who were adversely affected by the eligibility change or by the change in aggregate benefit, will be allowed to elect to participate under the previous tuition benefit plan for spouses for spousal undergraduate and graduate education that commenced by the end of calendar year 1999. (Under the previous tuition benefit, after two years of part-time service, spouses of part-time staff received 50% waiver of tuition for unlimited credit courses at the University of Rochester)

Eastman Community Music School

Spouses of regular full-time faculty and regular full-time and part-time staff are eligible for a 25% reduction in charges for musical instruction through the Eastman Community Music School after the completion of one year of full-time service or two years of part-time service.

Spouses of Strong Memorial Hospital Residents and Fellows and **spouses of Departmental Fellows** are not eligible for the reduction in charges for musical instruction through the Eastman School of Music Community Education Division.

Tuition Benefits for Dependent Children (Undergraduate)

Eligibility

Regular Full-Time Faculty and Regular Full-Time and Part-Time Staff*

Regular Part-Time Faculty and Senior Administrative Staff in Salary Grades 58 and above are not eligible for tuition benefits.

Children of Strong Memorial Hospital Residents and Fellows and children of Departmental Fellows are not eligible for tuition benefits.

Tuition benefits must be used within ten years of the dependent child's high school graduation.

*Regular full-time and regular part-time (appointed to work at least 17.5 hours or more per week) staff who are members of SEIU 1199 Upstate-SMH and SEIU Local 200 United-River Campus are eligible for tuition benefits for dependent children.

This dependent children tuition benefit is available only while the employee is actively employed in an eligible status. Should employment cease (or eligibility otherwise cease) during a semester/quarter, the benefit will be pro-rated for that semester/quarter.

Dependent Children interested in enrolling at the University of Rochester, should visit the Admissions website at <http://enrollment.rochester.edu/admissions>.

Tuition Waiver for Dependent Children at the University of Rochester for Full-Time Faculty and Staff:

Upon the faculty or staff member's completion of ten years of full-time service, undergraduate dependent children of regular full-time faculty and staff who *matriculate as first-time, first year students* are eligible for:**

- ♦ 100% of the stated full tuition cost at the applicable University of Rochester school or college or for a dependent child matriculated as an undergraduate at the University, foregoing any other institutional scholarship or grant aid, whether need-based, merit or other such scholarship/grant programs for up to four years of undergraduate study, not to exceed a total of 8 semesters (including summer semesters). (Tuition Benefits will be pro-rated for part-time study.)

If a dependent child is already matriculated either at the University of Rochester or at another college or university, full-time faculty and staff may be eligible for the 50%/25% dependent child tuition benefit at the University of Rochester if the faculty or staff member meets the eligibility requirements.

For full-time faculty and staff members that do not have ten years of full-time service completed prior to their dependent child beginning their undergraduate education at the University of Rochester, and they begin utilizing the 50%/25% dependent child tuition benefit, they will not be eligible to switch to the 100% dependent child tuition benefit if they complete the 10 year service requirement prior to their child completing 8 semesters/12 quarters of undergraduate study.

**Please refer to Service Requirement section under Important Information to Know on page 9.

Upon the faculty or staff member's completion of five years of full-time service, children of regular full-time faculty and staff are eligible for:**

- ♦ 50% of the stated full tuition cost at the applicable University of Rochester school or college for a dependent child enrolled as an undergraduate at the University, foregoing any other institutional scholarship or grant aid, whether need-based or other such scholarship/grant programs (with the exception of merit awards), for up to four years of undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters). (Tuition Benefits will be pro-rated for part-time study.)

- or -

- ♦ 25% of the difference between (i) the stated full tuition cost at the applicable University of Rochester school or college for a dependent child enrolled as an undergraduate at the University and (ii) the total need-based scholarship and need-based grant aid provided from all sources to that undergraduate, again foregoing any other institutional scholarship or grant aid or other such scholarship/grant programs (with the exception of merit awards), with the 25% difference “blinded” from University need-based aid decisions, for up to four years of undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters). (Tuition Benefits will be pro-rated for part-time study.)

Tuition Waiver at the University of Rochester for Part-Time Staff:

Upon the staff member's completion of **six years part-time service****, children of regular part-time staff are eligible for:

- ♦ 25% of the difference between (i) the stated full tuition cost at the applicable University of Rochester school or college for a dependent child enrolled as an undergraduate at the University and (ii) the total need-based scholarship and need-based grant aid provided from all sources to that undergraduate, again foregoing any other institutional scholarship or grant aid or other such scholarship/grant programs (with the exception of merit awards) with the 25% difference “blinded” from University need-based aid decisions, for up to four years of undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters).

This dependent children tuition benefit is available only while the employee is actively employed in an eligible status. Should employment cease (or eligibility otherwise cease) during a semester/quarter, the benefit will be pro-rated for that semester/quarter.

**Please refer to Service Requirement section under Important Information to Know on page 9.

Grandparenting of the Portable Tuition Plan for Dependent Children

Full-time faculty and senior staff salary grades 58 and above appointed to such positions prior to 1/1/96 are eligible for up to \$4,000 tuition award per dependent child per year (up to \$2,000 per semester or \$1,334 per quarter) for up to four years of undergraduate study at other institutions, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters) at other institutions and/or the University of Rochester. (Tuition benefits will be pro-rated for part-time study.)

For full-time faculty and senior staff salary grades 58 and above appointed to such positions 1/1/96 and thereafter, the portable plan for dependent children will not be offered.

Eastman Community Music School

Children of regular full-time faculty and regular full-time and part-time staff are eligible for a 25% reduction in charges for musical instruction through the Eastman Community Music School after the completion of one year of full-time service or two years of part-time service.

Children of Strong Memorial Hospital Residents and Fellows and **children of Departmental Fellows** are not eligible for the reduction in charges for musical instruction through the Eastman School of Music Community Education Division.

Important Information to Know

Number of Courses (Tuition Benefits for Employees)

The limit of two courses (one for part-time staff at other colleges or universities) applies to all courses taken at a given time, whether at the U of R or other colleges or universities.

In all cases, the University will not provide tuition benefits for the same course retaken to improve one's grade.

For courses taken at the U of R, an incomplete will be allowed for up to six months if the course is successfully completed by the end of the six-month period and eligibility has been maintained by the faculty or staff member.

Number of Semester /Quarters (Tuition Benefits for Dependent Children)

For dependent children tuition benefits (including the grandparented portable tuition plan for dependent children), the maximum benefit is four years of full-time undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters) at other institutions and/or the University of Rochester, per child.

Service Requirement

For all Tuition Benefit Plans, the service requirement must be met by the faculty or staff member as of the start date of the course. For all Tuition Benefit Plans except the 100% Dependent Tuition Benefit, service will be prorated for faculty and staff members who have changed status from part-time to full-time or vice versa.

For employee tuition benefits, service requirements may be met by service at another college, university or UR-affiliated teaching hospital that offered a tuition benefit plan for which the faculty or staff member was eligible.

For the 100% Dependent Children Tuition Benefit, service requirements may be met by full-time service at another college or university that offered a tuition benefit plan for children for which the faculty or staff member was eligible.

- ♦ The ten years of full-time service requirement must be met by the faculty or staff member as of the start date of the course.

For spouse or the 50%/25% dependent child tuition benefits, service requirements may be met by service at another college or university that offered a tuition benefit plan for spouses or dependent children for which the faculty or staff member was eligible.

The receive credit for service at another college, university or UR-affiliated teaching hospital that offered a tuition benefit plan for which the faculty or staff member was eligible, complete the *Tuition Benefits Service Credit Form* available online at www.rochester.edu/benefits/tuition/service_credit.

100% Dependent Tuition Benefit for First-time, First Year Students

- ♦ If your dependent child completed one semester at college (even if the child is willing to not transfer any credits to the University, your dependent child would not be eligible for the 100% Dependent Children Tuition Waiver benefit. However, your dependent child may be eligible for the 50%/25% benefit if you satisfy the eligibility criteria for the benefit under the tuition benefit plan.
- ♦ If your dependent child enrolled for one semester either at the University or another college, but withdrew from all courses, your dependent child would be eligible for the 100% Dependent Children Tuition waiver if he/she begins undergraduate education at the University of Rochester if you satisfy the eligibility criteria for the benefit under the tuition benefit plan.
- ♦ If your dependent child took only one college course during the summer (e.g. to brush up on a subject) prior to beginning his/her undergraduate education at the University, your dependent child would be eligible for the 100% Dependent Children Tuition waiver benefit when he/she begins undergraduate education at the University of Rochester, if you satisfy the eligibility criteria for the benefit under the tuition benefit plan.

Multiple Eligibility Status

A faculty or staff member who is also the spouse or dependent child of a faculty or staff member may apply for tuition benefits as the dependent child, the spouse, or the employee — whichever is the most beneficial to the individual. However, the tuition benefit for more than one category cannot be combined for the same individual at any one time. (Also see Tuition Benefits for Employees, Spouses and Dependent Children.)

For dependent children tuition benefits, when both parents are U of R faculty or staff member, only one parent may apply for the tuition benefit whichever is most beneficial to the child. The maximum benefit is four years of full-time undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters) at other institutions and/or the University of Rochester, per child.

Continuation of Enrollment

For employee and spouse tuition benefits, tuition for non-credit dissertations, theses, and continuation of enrollment at the U of R will be covered by tuition benefits for a maximum of one semester, per individual.

Tuition for “leave of absence from a program of academic study” at the U of R will not be approved for tuition benefits.

Application for employee reimbursement of tuition for non-credit dissertations, theses, continuation of enrollment, and “leave of absence from a program of academic study” at outside schools will not be approved for tuition benefits.

Calculation of Tuition Benefit Plan Payment and Other Financial Aid

Tuition waiver and reimbursement benefits are provided for the cost of tuition for credit-bearing and eligible non-credit courses only. Cost of supplies, textbooks and the like will not be covered. For the Tuition Reimbursement benefit, courses taken at other colleges and universities, non-credit bearing courses taken at the University of Rochester or at other colleges or universities and certification/recertification exams will be reimbursed 80% upon receipt of proof of payment, proof of course/exam cost, and evidence of successful completion of

the course/exam. In no instance is an employee eligible for more than a total of 2 courses/certification/recertification exams per semester or quarter.

For the Tuition Reimbursement benefit, other financial or scholarship aid that does not have to be repaid by the faculty or staff member (i.e., grants) will be deducted from the tuition cost prior to calculating the 80% tuition reimbursement. Other financial aid (i.e., loans) will not affect the calculation of the University's tuition reimbursement benefit. In no circumstance may the combination of the University's tuition benefit and the tuition-restricted assistance exceed the cost of tuition for the semester or quarter.

Taxability of Employee Tuition Benefits

Ordinarily, graduate tuition assistance benefits and/or tuition reimbursement for non-credit courses up to \$5,250 in a calendar year are not taxable. Graduate tuition assistance benefits and/or tuition reimbursement for non-credit courses that exceed \$5,250 in a calendar year are **taxable wages** unless the course satisfies the requirements for a tax deductible job-related course under IRS rules.* Generally, a job-related course will satisfy these IRS requirements if it *maintains or improves skills for the individual's present job, or if the course meets the employer's express requirements for retaining the job, and the course is not part of a program that will qualify the individual for a new trade or business.* If you believe that your proposed graduate level course(s) and/or non-credit course(s) **satisfies the requirements for a tax deductible job-related course under IRS rules**, please complete the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* on **pages 5 and 6** of the *Employee Tuition Waiver/Reimbursement application* available online at www.rochester.edu/benefits/tuition (Please see Appendix A for a flow chart for Determination Whether Graduate Tuition Assistance Benefits and/or tuition reimbursement for non-credit courses Exceeding \$5,250 in a Calendar Year are Taxable). Return the application and the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* (if applicable) to the Tuition Benefits Office at Brooks Landing, Box 278955. If the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* is not received within 30 days from the start of the course(s), you will be taxed on the course(s). **For taxable tuition benefits, applicable Federal and State income taxes and FICA taxes (approximately 40.32% of the taxable tuition amount) will be deducted from the employee's paycheck when the waiver is approved or the reimbursement is paid to the employee.** In addition, the taxable income will be reflected on the W-2 for the calendar year when the actual tuition benefit is posted to the student's account or reimbursed to the employee. If you determine that your proposed graduate level course(s) and/or non-credit course(s) do not satisfy the requirements for a tax deductible job-related course under IRS rules, and you wish to manually calculate how much tax will be withheld from your paychecks(s), please see the *Graduate Tuition Assistance Benefits and/or Tuition Reimbursement for Non-Credit Courses Taxation Worksheet* available online at www.rochester.edu/benefits/tuition.

* If you worked at one of the members of the University's controlled group during this calendar year (Highland Hospital, Highlands at Brighton, Highlands at Pittsford, Highlands Living Center, Visiting Nurse Service (VNS), Visiting Nurse Signature Care and High Tech Rochester), and utilized employee tuition benefits, please advise the University's Benefits Office of the amount of that tuition benefit.

Taxability of Spouse Tuition Benefits

The employee will have imputed income equal to the value of the tuition benefit provided by the University for graduate courses. **Applicable Federal and State income taxes and FICA taxes (approximately 40.32% of the tuition amount) will be deducted from the employee's paycheck when the waiver is approved** and the taxable income will be reflected on their W-2 for the calendar year when the actual tuition credit is posted to their spouse's account.

Audited Courses

Courses taken for audit will not be approved under the tuition benefits plan.

Courses Required by the Supervisor

For hourly paid staff required by the supervisor to take a job-related course, class time will be considered working time, and will be paid as such. If a course occurs outside the normal work hours, pay will be required for class time, including overtime premium if work exceeds 40 hours in a work week.

Courses During Working Hours

A course required as part of an approved degree program or a course directly related to the current position or related to a future career interest or position may be taken during work hours if not available at other times, provided it is approved by the employee's supervisor. Individuals released for courses during work hours will be expected to make up the time.

How Your Coverage is Affected

When You Retire...

Retired faculty and staff remain eligible for the employee tuition waiver benefit for U of R credit courses.

Eligibility for the reduction in charges for musical instruction through the Eastman School of Music Community Education Division ends on the date of retirement.

Eligibility for spouse tuition benefits ends on the date of retirement. (Should retirement occur during a semester/quarter, the benefit will be pro-rated for that semester/quarter.

Children of retired faculty and staff remain eligible for tuition benefits.

If you Terminate or Change to an Ineligible Status...

If a faculty or staff member terminates employment or changes to an ineligible status, eligibility for employee tuition benefits ends on the date of termination or change. (Active employment in an eligible status must be maintained through completion of the course. If this criterion is not met, the employee will be responsible for payment of the course and any related fees.)

If a faculty or staff member terminates employment or changes to an ineligible status, eligibility for spouse or dependent children tuition benefits ends on the date of termination or change. (Active employment in an eligible status must be maintained through completion of the course(s). If this criterion is not met, the benefit will be pro-rated for that semester/quarter.

If you Become Disabled...

When a faculty or staff member is receiving payments under the Sick Leave Plan for Short-Term Disability, eligibility for employee, spouse or dependent children tuition benefits is continued.

During the first six months that a faculty or staff member is receiving Workers' Compensation payments, eligibility for employee, spouse or dependent children tuition benefits is continued.

During Long-Term Disability, employee, spouse or dependent children tuition benefits for an individual who has met service requirements prior to being approved for benefits under the University Long-Term Disability (LTD) Plan can be claimed during the approved period of long-term disability as though the individual were actively at work. For completion of service requirements for tuition benefits, time on an approved period of long-term disability does not count.

If you are on an Unpaid Leave of Absence (including the unpaid portion of a Short-Term Leave of Absence)...

During an Unpaid Leave of Absence, employee and spouse tuition benefits are suspended.

During an Unpaid Leave of Absence, dependent children tuition benefits are not interrupted.

If you are on a Paid Leave of Absence (including the paid portion of a Short-Term Leave of Absence)...

Tuition benefits for employees, spouses or dependent children are not interrupted during the employee's paid Leave of Absence.

If you are on FMLA...

Tuition benefits for employees, spouses or dependent children are not interrupted during the employee's portion of Leave under the FMLA.

If you are on a Layoff and Recall...

During Layoff and Recall, employee, spouse or dependent children tuition benefits for an individual who has met service requirements prior to layoff can be claimed during layoff as though the individual were actively at work. For completion of service requirements for tuition benefits, time on Indefinite Layoff does not count. Time on Temporary Layoff not later changed to Indefinite Layoff does count toward service requirements for those on regular full-time or part-time status immediately prior to layoff.

If you Die...

Eligibility for tuition benefits will continue for children of deceased faculty, staff, and retirees provided the faculty or staff member or retiree had completed ten or more years of active service at the time of death.

For faculty, staff, and retirees, who had not completed ten or more years of active service at the time of death, tuition benefits for dependent children will continue to completion of a collegiate program [not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters)] that commenced prior to the date of death.

NOTE: Tuition Benefits for dependent children of a deceased faculty, staff member or retiree are non-taxable *if the dependent child is under age 25 and BOTH parents are deceased*. If one parent is living, the benefit will be taxable to the dependent child, and the imputed income will be reported on a Form 1099 each year the benefit is received.

How to Apply for Tuition Benefits

Applications/forms for tuition waiver and tuition reimbursement are available from the Benefits Office or online at:

- **APPLICATION FOR *TUITION WAIVER* FOR COURSES TAKEN AT THE U of R**
www.rochester.edu/benefits/tuition/TuitionWaiverEE
- **APPLICATION FOR *TUITION REIMBURSEMENT* FOR JOB-RELATED COURSES TAKEN AT OTHER COLLEGES OR UNIVERSITIES (and Approved Non-Credit Courses Taken at the University of Rochester or at Other Colleges or Universities)**
www.rochester.edu/benefits/tuition/ReimbursementApp
- **APPLICATION FOR *SPOUSE* TUITION WAIVER FOR COURSES TAKEN AT THE U of R**
www.rochester.edu/benefits/tuition/TuitionWaiverSpouse
- **APPLICATION FOR *DEPENDENT CHILD* TUITION WAIVER FOR COURSES TAKEN AT THE U of R**
www.rochester.edu/benefits/tuition/childwaiver
- **APPLICATION FOR REIMBURSEMENT OF PROFESSIONAL CERTIFICATION/RECERTIFICATION EXAMS**
www.rochester.edu/benefits/tuition/procertexam
- **GRADUATE TUITION ASSISTANCE BENEFITS AND/OR TUITION REIMBURSEMENT FOR NON-CREDIT COURSES TAXATION WORKSHEET**
www.rochester.edu/benefits/tuition/GraduateTuitionTax

For timely processing, applications for employee tuition waiver at the U of R and employee tuition reimbursement at other colleges or universities, in addition to the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* (if applicable) should be approved in advance of the course by the employee's supervisor and the Benefits Office. In addition, before the application for tuition waiver at the U of R is submitted to the Benefits Office, the application should be stamped by the Registrar's office, verifying enrollment, unless the faculty or staff member is registering for courses online.

Applications for spouse or dependent children tuition waiver at the U of R should be approved in advance of the course by the Benefits Office.

The Benefits Office will approve applications for tuition waiver and tuition reimbursement not more than 30 days prior to the beginning of classes. Applications and applicable *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Forms* must be received by the Benefits Office for authorization no later than 30 days after the start of the course. Retroactive authorizations will not be approved beyond the 30-day limit.

For employee tuition reimbursement, proof of payment, proof of cost and proof of successful course completion at other colleges or universities must be received by the Benefits Office within 90 days of the course completion for reimbursement. Reimbursement will not be made if course documentation is not received within 90 days of course completion.

For children (of full-time faculty and senior staff appointed prior to 1/1/96, eligible for the Portable Tuition Benefit) attending other colleges or universities, a *Faculty Children's Scholarship Program Information* form must be completed and submitted to the Benefits Office for authorization no later than 30 days from the start of the child's first semester at the other college/university (this form will not have to be completed again unless the child transfers to a different college/university.) Payment will be made directly to the institution attended each semester or quarter. Proof of obligation of the faculty or senior staff member

to pay the child's tuition must be received by the Benefits Office each semester or quarter before payments will be released to the college or university. It is the faculty or senior staff member's responsibility to see to the timely delivery of the tuition bill or statement of financial obligation to the Benefits Office.

The University administers the Tuition Benefit Plans and has sole discretionary authority to interpret the Tuition Benefit Plans, to make eligibility and benefit determinations, and to make factual determinations in connection with any of the Tuition Benefit Plans. The determinations of the University are final and binding.

The Tuition Benefit Plans are to be construed, administered, and governed by the laws of the State of New York except to the extent superseded by the Internal Revenue Code or other federal law.

Definition of terms

The following terms are used to define eligibility for participation in the plan:

Appointment: The action which begins a relationship with the University in a specific position, such as a member of the faculty; the period during which such a relationship is in effect.

Continuous employment: Actively at work in a position eligible for the full range of University Benefit Plans. Absences due to Leave of Absence or Layoff would be included in determining continuous employment.

Dependent child: an employee's son, stepson, daughter, stepdaughter or eligible foster child who the employee can claim as a dependent on his or her federal tax return under Code §152. Generally, a child of divorced parents can be treated as a dependent of both parents provided that the child receives more than 50% of his or her support from either or both parents and the child is in the custody of either or both parents for more than one-half of the year.

Full-time: For hourly staff: a regular weekly work schedule of at least 35 hours; for professional, administrative, and supervisory staff: a weekly work schedule of 40 hours or more; for faculty: a normal full teaching and research load as defined for the faculty by the college or school concerned.

Layoff (indefinite): Indefinite suspension of University employment because of reduction of staff or elimination of a position for more than four months or for unspecified duration, not over one year.

Layoff (temporary): Temporary suspension of University employment because of reduction of staff or elimination of a position with the expectation of return to work within four months of the day the layoff begins.

Leave of Absence: Approved absence which does not end, but does change, the appointment relationship. Leave may be for research or study, to permit a visiting appointment elsewhere, for personal reasons, or for disability.

Part-time: A regular weekly or monthly schedule which is less than that required for full-time status but generally not less than 17.5 hours per week in the case of hourly and professional, administrative, and supervisory staff. For faculty it indicates that the individual carries at least half the normal (full) teaching and research load as defined for faculty by the college or school concerned.

Regular: Period of appointment in hourly and professional, administrative, and supervisory positions that is expected to exceed four months, unless otherwise defined in collective bargaining agreements; period of appointment for faculty-instructional staff that is at least one year (or one academic year) or, if shorter, is expected to be renewed. Appointments primarily for furthering education (for example, graduate assistant) are not considered "regular" appointments.

Retirement: Ending of appointment at normal retirement age or beyond after having met the 10-year service requirement or –

- For faculty and staff hired prior to 1/1/96, with University consent, at an earlier age if the individual has reached age 55 and has met the 10-year service requirement. The 10-year service requirement may be met by cumulative employment at the University or another higher education institution.

- For faculty and staff hired 1/1/96 and thereafter, with University consent, at an earlier age if the individual has reached age 60 and has met the 10-year service requirement. The 10-year service requirement may be met by cumulative employment at the University or another higher education institution, as long as there is continuous employment at the University for the immediate five years prior to retirement.

Retirees (University retired faculty and staff members): Faculty and staff who were hired prior to 1/1/96 and who have retired with University consent and (1) who have reached age 55 and (2) who have met the 10-year service requirement. The 10-year service requirement may be met by cumulative employment at the University or another higher education institution. Faculty and staff who were hired 1/1/96 and thereafter and who have retired with University consent and (1) who have reached age 60 and (2) who have met the 10-year service requirement. The 10-year service requirement may be met by cumulative employment at the University or another higher education institution, as long as there is continuous employment at the University for the immediate five years prior to retirement.

Spouse: Your current spouse, if your marriage was valid in the state or country where it was performed.*

*A “spouse” includes your same-sex domestic partner; provided that:

1. The following conditions are satisfied:

- (a) You and your domestic partner have been in an exclusive mutual commitment, similar to that of marriage, for at least six (6) consecutive months and intend to remain so indefinitely;
- (b) You and your domestic partner are not related by blood to a degree of closeness which would prohibit legal marriage in the state in which you legally reside;
- (c) You and your domestic partner are both at least eighteen (18) years of age and are legally competent to contract;
- (d) It has been at least six (6) months since the University’s Benefits Office has received a Statement of Termination of a previous domestic partnership from either you or your domestic partner;
- (e) You and your domestic partner share joint responsibility for common welfare and financial obligations demonstrated by (i) the existence of a domestic partner agreement (a qualifying domestic partnership agreement is a legally binding agreement between two individuals creating personal and financial interdependence, i.e., joint and several liability for each other’s debts and expenses, responsibility for mutual care, etc.); and (ii) at least two other items showing joint responsibility, such as joint bank accounts, joint deed, mortgage agreement or lease, joint credit account or other liability, joint ownership of a motor vehicle, designation of domestic partner as primary beneficiary for life insurance or retirement contract(s), designation of domestic partner as primary beneficiary of will, durable property or health care power of attorney, co-parenting agreement, or an adoption agreement, and
- (f) You submit an Application for Domestic Partnership Tuition Benefits to the Benefits Office; and

2. Either:*

(a) Your domestic partner resides in and works for an employer in a state where there are no protections against sexual orientation discrimination (including local or state laws or an employer's employment policy) and your domestic partner believes that he/she could be discriminated against if he/she were to marry you; or

(b) You and your domestic partner are in the process of, or demonstrate an intent to, adopt a child in the near future, and you can demonstrate that the adoption will be less successful if you marry.

* If you believe that you or your same-sex domestic partner would experience a different significant, imminent detriment if you married that would not be experienced in an opposite-sex marriage, please contact the Benefits Office and the University will consider a request to extend benefits to your domestic partner.

Additionally, if you have a domestic partner that participated in the Plan on July 23, 2011, your domestic partner can continue to participate in the Plan until June 30, 2012. After that date, the above tests must be satisfied for your domestic partner to continue to participate in the Plan as a domestic partner.

Temporary: Period of appointment in hourly and professional, administrative, and supervisory positions of not over four months, unless otherwise defined in collective bargaining agreements; period of appointment for faculty-instructional staff of less than one year (or one academic year) and for which renewal is not expected.

Termination: Ending of appointment for reason other than retirement.

Claim Review Procedure

The Plan Administrator shall maintain a procedure under which any participant or beneficiary (or an authorized representative acting on behalf of a participant or beneficiary) may assert a claim for benefits not covered by the claims procedures for health or disability plans set forth above. Any such claim shall be submitted to the Plan Administrator in writing. The Plan Administrator will generally notify you of its decision within 90 days after it receives the claim. However, if the Plan Administrator determines that special circumstances require an extension of time to decide the claim, it may obtain an additional 90 days to decide the claim. Before obtaining this extension, the Plan Administrator will notify you in writing, and before the end of the initial 90-day period, of the special circumstances requiring the extension and the date by which the Plan Administrator expects to render a decision.

If your claim is denied in whole or in part, the Plan Administrator will provide you with a written notice which explains the reason or reasons for the decision, includes specific references to plan provisions upon which the decision is based, provides a description of any additional material or information which might be helpful to decide the claim (including an explanation of why that information may be necessary), and describes the appeals procedures and applicable filing deadlines.

If you disagree with the decision reached by the Plan Administrator, you may submit a written appeal requesting a review of the decision. Your written appeal must be submitted within 60 days of receiving the initial adverse decision. The appeal should clearly state the reason or reasons why you disagree with the Plan Administrator's decision. You may submit written comments, documents, records and other information relating to the claim even if such information was not submitted in connection with the initial claim for benefits. Additionally, upon request and free of charge, you may have reasonable access and copies of all documents, records and other information relevant to the claim. The Plan Administrator will generally notify you of its decision on appeal within 60 days after the appeal is received.

You may not commence a judicial proceeding against any person, including the Tuition Benefit Plans, the Plan Administrator, the University, the Benefits Office, or any other person without first exhausting the claims procedures set forth above. If you have exhausted these procedures and are dissatisfied with the decision on appeal of a denied claim, you may bring an action in an appropriate court to review the Plan Administrator's decision on appeal, but only if the action is commenced no later than the earlier of (1) the applicable statute of limitations, or (2) the first anniversary of the Plan Administrator's decision on appeal.

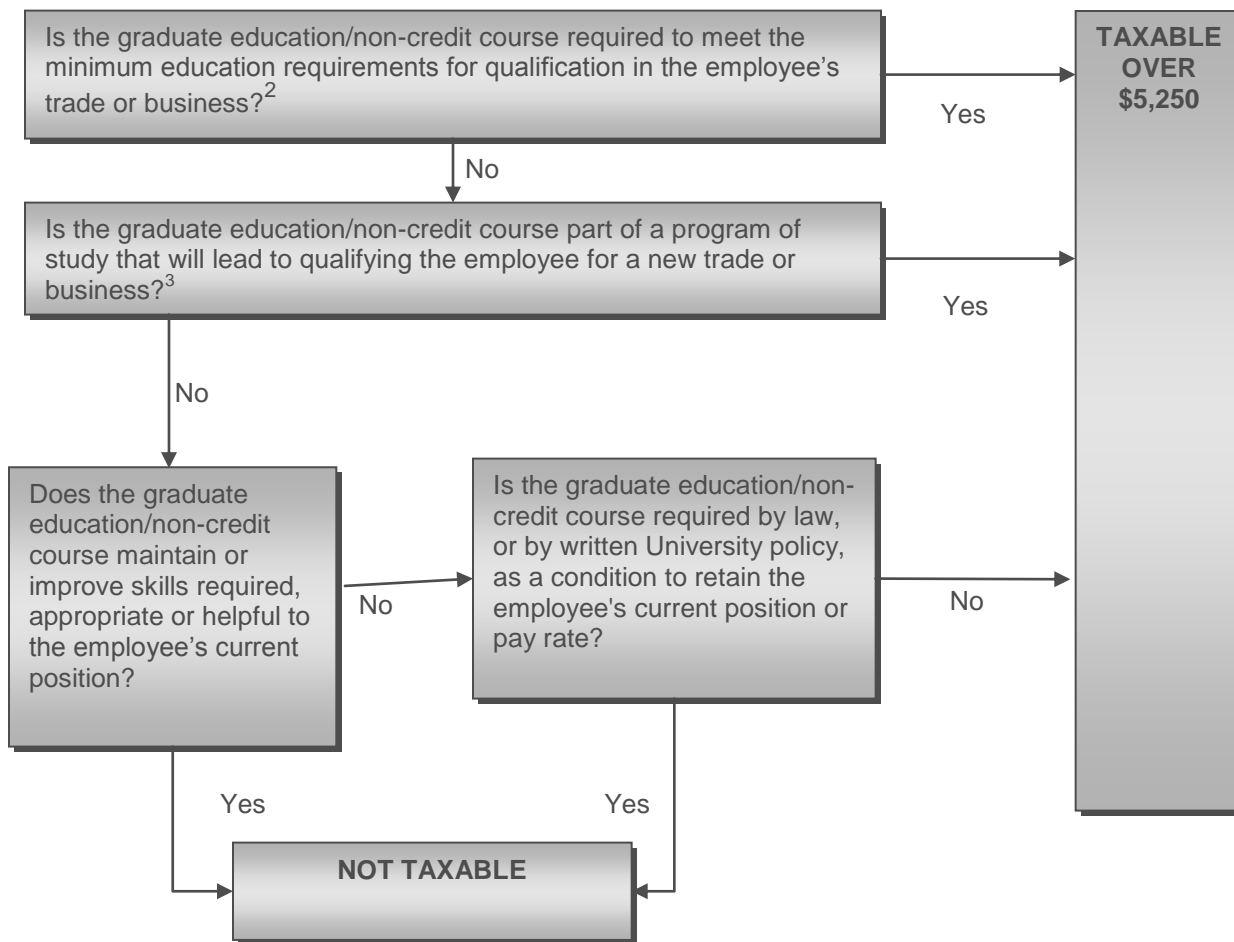
Plan Information

The University Plan Administrator is the agent for legal process in any action involving any of the following plans: Health Care Plans, Dental Plans, Flexible Spending Accounts (FSAs), Basic Group Life Insurance, Group Universal Life Insurance, Sick Leave Plan for Short-Term Disability, Paid-Time Off, Long-Term Disability Insurance, Travel-Accident Insurance, Retirement Program, Supplemental Benefit Program, Tuition, Vacation, and Holidays.

The University Plan Administrator for Tuition Benefits is:

Associate Vice President for Human Resources
University of Rochester (Employer ID No. 16-0743209)
Office of Human Resources, Benefits Office
260 Crittenden Boulevard
Rochester, NY 14642
Telephone (585) 275-2084

**University of Rochester Graduate Tuition Waiver/Reimbursement Benefits
Determination Whether Graduate Tuition Assistance Benefits and/or Tuition
Reimbursement for Non-Credit Courses Exceeding \$5,250 in a Calendar Year are Taxable¹**



1. **About this Chart:** Ordinarily, employer-provided graduate tuition assistance benefits and/or tuition reimbursement for non-credit courses that exceed \$5,250 are taxable wages, while benefits up to \$5,250 are not taxable. However, certain job-related education is not taxable over \$5,250. This chart is intended to assist in determining whether an educational benefit sought by an employee meets the exception to taxability. **This does not constitute tax advice to employees, and employees should consult their personal tax advisors.**
2. **Minimum Required Education:** For example, suppose an employee, who holds a bachelor's degree, obtains temporary employment as an instructor at the University and undertakes graduate courses as a candidate for a graduate degree. Also, suppose the employee may become a faculty member only if he/she obtains a graduate degree and may continue as an instructor only so long as he/she shows satisfactory progress towards obtaining his/her graduate degree. The graduate courses taken by the employee constitute education required to meet the minimum educational requirements for qualification in the employee's trade or business and, thus, the expenditures for such courses in excess of \$5,250 are not deductible.
3. **New Trade or Business.** For example, a program of study qualifies an employee for a new trade or business if successful completion of the program would qualify the employee to: (1) meet a new category of professional licensure or certification required to perform a particular job (e.g. nurse practitioner certification); or (2) be employed in a position that has a different educational requirement than his/her current position, either within or outside the University. NOTE: Intention or actual job change is irrelevant; even if the employee does not intend to change positions, or does not take a new position, the tuition benefit is taxable if the employee becomes qualified to do so.